

**SAM—STANDARD ENTRIES**

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**SAM—STANDARD ENTRIES**

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**CHAPTER 10500 INDEX (Cont. 1)**

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## SAM—STANDARD ENTRIES

### ENTRY NO. 1

10501

(Revised 5/87)

#### Nature of Transaction:

A special claim is filed with the State Controller's Office against an appropriation for an initial revolving fund advance or an augmentation of an existing revolving fund.

#### Journal Entry for General Ledger Accounts:

##### Debit:

1130    Revolving Fund Cash

##### Credit:

3020    Claims Filed

#### Source:

##### Document:

Claim Schedule. This type of claim will not be entered in the Claims Filed Register but will be journalized separately.

#### Explanation:

This entry is made to record (1) initial revolving fund advances from an appropriation and (2) augmentations of an existing revolving fund.

When the Claim Schedule, Std. Form 218, is prepared, a Remittance Advice, Std. Form 404, also will be prepared and submitted to the State Controller's Office in the same manner as for claims to reimburse the revolving fund. (See SAM Section 8170.)

By statute, revolving fund advances must be returned to the appropriation from which drawn upon expiration of the period of availability of the appropriation. In lieu of physically returning a revolving fund and withdrawing a new advance at the end of each fiscal year, agencies may request the State Controller's Office to apply the existing revolving fund as an increase in the balance of the appropriation from which it was drawn and as a withdrawal from the appropriation of the new fiscal year. Requests for such transfers are submitted to the State Controller's Office on a "Request for Revolving Fund Advance" form prescribed and supplied by that office.

## SAM—STANDARD ENTRIES

### ENTRY NO. 2

10502

(Revised 5/87)

#### Nature of Transaction:

Materials, supplies and equipment are ordered, capital outlay projects are authorized, services are contracted for or estimated, and employment of personnel is provided for by extending authorized positions or establishing positions. As a consequence, budget allotments are encumbered for the estimated amount of these future expenditures.

#### Journal Entry for General Ledger Accounts:

##### Debit:

6150     Encumbrances

##### Credit:

5350     Reserve for Encumbrances

#### Source:

##### Documents:

Purchase Estimates

Printing Requisition—Invoices

Payroll Estimates

Leases

Standard Agreements

Lag Encumbrances

Sub-purchase Orders

Public Works Project Authorization and Transfer Requests

Sundry Encumbrance Documents

##### Register:

Estimates Register or Journal Entry made from tape of batch control sheets which were prepared to control postings to the Allotment-Expenditure Ledger.

#### Explanation:

The recordation of encumbrance documents is the initial step in the accounting of expenditures. As encumbrance documents are recorded, the unencumbered balances of allotments are reduced. In this way budgeted funds are "earmarked" for payment of proposed expenditures and control over these expenditures is exercised by agency executive officers.

#### Note:

The purchase estimate, while not considered a legal obligation, is used as a source document for recording encumbrances. Adjustments to amounts encumbered by purchase estimates may be made as necessary to account for differences between the purchase estimate and the Purchase Order issued by the Office of Procurement, Department of General Services. Claims arising from purchase estimate encumbrances will be paid by the State Controller only if the Purchase Order is issued and dated prior to the date the appropriation availability ceases.

(Continued)

# SAM—STANDARD ENTRIES

(Continued)  
**ENTRY NO. 2)**  
 (Revised 5/87)

10502 (Cont. 1)

## ESTIMATES REGISTER

Estimates Issued and Adjusted		
Date 19__	Estimate Number	Amount
4-28	1123	120.00
	24	240.00
	25	70.00
	26	90.00
	27	1120.00
	1056 Adj.*	30.00
	1074 Adj.*	-10.00
4-29	1128	340.00
	29	260.00
	1130	80.00
	31	970.00
	1091 Adj.*	120.00
4-30	1132	430.00
	33	250.00
	34	110.00
	35	70.00
	1101 Adj.*	-40.00
	1117 Adj.*	50.00
		4300.00

\*Estimate adjustments (except those made pursuant to Section 8340 adjusting for differences between estimates and purchase orders) will not be recorded in the Estimate Register if the alternate procedure of recording estimates in the Claims Filed Register as noted in Entry No. 3 is followed.

## SAM—STANDARD ENTRIES

### ENTRY NO. 3

10503

(Revised 5/87)

Nature of Transaction:

Claims are filed with the State Controller's Office for payment.

Journal Entry for General Ledger Accounts:

Debit:

3410	Revenue Collected in Advance	a/
5350	Reserve for Encumbrances	b/
8000	Revenue	c/
9000	Appropriation Expenditures	d/
9893	Prior-Year Appropriation Adjustments	e/

Credit:

3020	Claims Filed	f/
6150	Encumbrances	b/

a/ amount of claims filed for refunds of revenue collected in advance.

b/ amount of encumbrances liquidated by claims filed.

c/ amount of claims filed for refunds of revenue.

d/ amount of claims filed against appropriations currently available for encumbrance.

e/ amount of claims filed against prior-year appropriations that are no longer available for encumbrance.

f/ total amount of claims filed less claim corrections as recorded in the Claims Filed Register.

Source:

Documents:

Schedule of Bills Filed  
Notice of Claim Corrections

Register:

Claims Filed Register

Explanation:

The amount of claims filed less claim corrections received is summarized in this entry. From this summary (1) expenditures and refunds of revenue with the accompanying liability for claims filed are recorded and (2) currently outstanding encumbrances are liquidated.

(Continued)

# SAM—STANDARD ENTRIES

(Continued)  
ENTRY NO. 3  
(Revised 5/87)

10503 (Cont. 1)

## CLAIMS FILED REGISTER

Date 19__	Warrants Issued	Schedule Number	Total of Schedule 1.	Appro- riation Expendi- tures 2.	Prior- Year Expendi- tures Debit 3.	Encumbrances	
						Liquidating* 4.	Not Liquidating 5.
4-28	X	1426	3600.00	3600.00		2100.00	1500.00
		27	50.00		50.00		
	X	28	21420.00	21420.00		21420.00	
	(cc-1)	1419**	-2900.00	-2900.00			-2900.00
		29	450.00	450.00			450.00
		30	1200.00		1200.00		
4-29	X	30	2900.00	2900.00			2900.00
		31	650.00	650.00		650.00	
	X	33	300.00		300.00		
		34	200.00	200.00			200.00
	X	35	350.00		350.00		
4-30		36		800.00		500.00	300.00
		37	800.00	800.00		600.00	200.00
	(cc-2)	1421**	-50.00	-50.00			-50.00
			29770.00	27870.00	1900.00	25270.00	2600.00

Cr. 3020 Dr. 9000 Dr. 9893 Dr. 5350 (Included in  
Cr. 6150 Column 2)

\* The illustration shows the amount liquidated always to be the amount of the related expenditure. (Column 2 equals Column 4 plus Column 5). Under this procedure adjustments between amounts encumbered and expended are recorded in the Estimates Register (See Entry No. 2). Agencies, however, will use the alternate procedure herein described if for their operations it is more efficient. Alternate procedure: Under this procedure the amount liquidated is the amount of the related expenditure only where the expenditure relates to furnishing a part of the goods or services for which an encumbrance was established. The amount liquidated is the remaining amount encumbered if there have been partial liquidations and the payment is the final one. The amount liquidated is the total amount originally encumbered if there have been no partial liquidations and the payment is the final one.

\*\* Notices of claim corrections will be entered in chronological sequence. Column totals are the net of new claims filed and claim corrections received. As Notices of Claims Paid, Form CD-102, are received from the State Controller's Office, original claims and related and claim corrections will be checked in the warrants issued column of this register. Unchecked items will represent the detail of outstanding claims filed and related claim corrections.

## SAM—STANDARD ENTRIES

### ENTRY NO. 4 [PAYROLLS ARE PAID]

10504

(Revised 09/13)

#### Journal Entry for General Ledger Accounts:

##### Debit:

**9000 Appropriation Expenditures**

##### Credit:

**1140 Cash in State Treasury**

#### Source Documents:

1) Payroll Revolving Fund Transfer Notice, Form SM62 - Clearance Type codes 1, 7, 8, and 9 are transfers in the State Payroll Revolving Fund (SPRF). Clearance Type codes 4, 5, 6, and 8 are transfers out of the SPRF. See SAM section 8590 for Clearance Type definitions.

2) State Controller's Office (SCO) Payroll Warrant Register, Form CD38 lists the details of the individual warrants.

#### Register:

Payroll Expenditure Register

#### Explanation:

Under the Uniform State Payroll System, department payrolls are prepared by the SCO and salary warrants are drawn on the SPRF. The SCO transfers from the department's appropriation and/or fund the gross amount of each such payroll plus the amount of related state contributions for employees' retirement, OASDI, health and dental benefits, and returns by transfer to the department's appropriation and/or fund any amounts remaining in the SPRF as a result of warrants voided or re-deposited and overpayments recovered. These transfers, supported by payroll warrant register forms, are recorded by the department in a Payroll Expenditure Register, the net total of which represent payroll expenditures to be recorded in the department accounts. See SAM sections 8590 and 8593 for additional information.

#### PAYROLL EXPENDITURE REGISTER

Type of Transfer	Transfer Date	Issue Date	Clearance No.	Transfer No.	Transfers	Accounts Receivable Abatements		Expenditures Current Year	Expenditures Prior Year
						DR	CR		
1	8-3	8-3	892	457	10,000			10,000	
1	8-4	8-4	901	465	1,000				1,000
AR <sup>1/</sup>		8-15	943			50		-50	
5 <sup>2/</sup>	8-20	6-8	2146	502	-50		50		
1 <sup>3/</sup>	8-28	9-1	961	524	100,000			100,000	
					110,950	50	50	109,950	1,000
					CR 1140	DR 1311	CR 1311	DR 9000	DR 9893

(Continued)



## SAM—STANDARD ENTRIES

(Continued)

### **ENTRY NO. 4** (Revised 5/87)

**10504 (Cont. 1)**

<sup>1/</sup>The debit to Account No. 1311 in this register is the gross amount of the overpayment as recorded from the SCO's accounts receivable warrant register.

<sup>2/</sup>The credit to Account No. 1311 is the gross amount of the overpayment recovered and returned to the department appropriation by transfer. The debit to Account No. 1311 for the same overpayment would have been recorded in the Payroll Expenditure Register for the month in which the SCO prepared an accounts receivable warrant register covering the overpayment.

<sup>3/</sup>Except at the close of the fiscal year, the transfer covering the main regular monthly payroll for a given monthly pay period is recorded in the Payroll Expenditure Register for that month even though the transfer may be dated in the following month. Payroll transfers dated in July covering payrolls for services rendered in June must be recorded in the Payroll Expenditure Register for July.

Source:

Documents:

Notice of State Payroll Revolving Fund Transfer, Form CD-62. (Transfers coded type 1, 7, and 9 are transfers to the State Payroll Revolving Fund. Transfers coded type 3, 4, 5, 6, and 8 are transfers from the State Payroll Revolving Fund. See Section 8590 for additional explanation.)

Controller's Register of Accounts Receivable. (These Controller's registers list overpayments reported to or by the State Controller's Office and will be covered by transfers type 5 when the overpayments are recovered.)

Register:

Payroll Expenditure Register

(Continued)

# SAM—STANDARD ENTRIES

(Continued)

## ENTRY NO. 4 (Revised 5/87)

10504 (Cont. 2)

### Explanation:

Under the uniform state payroll system, agency payrolls are prepared by the State Controller's Office and salary warrants are drawn on the State Payroll Revolving Fund. The State Controller's Office transfers from the agency's appropriation and/or fund the gross amount of each such payroll plus the amount of related state contributions for employees' retirement, OASDI, health and dental benefits, and returns by transfer to the agency's appropriation and/or fund any amounts remaining in the State Payroll Revolving Fund as a result of warrants voided or redeposited and overpayments recovered. These transfers, supported by payroll warrant register forms, are recorded by the agency in a Payroll Expenditure Register, the net total of which represent payroll expenditures to be recorded in the agency accounts. See Sections 8590 and 8593 for additional explanation.

### PAYROLL EXPENDITURE REGISTER

Type of Transfer	Transfer Date	Issue Date	Clearance No.	Transfer No.	Transfers 1.	Accounts Receivable-- Abatements		Expenditures-- Current Year 4.	Expenditures-- Prior Year 5.	Encumbrances Liquidated 6.
						Dr. 2.	Cr. 3.			
1	8-3	8-3	892	457	10,000			10,000		9,000
1	8-4	8-4	901	465	1,000				1,000	
3	8-11	8-12	922	489	-3,000			-3,000		
AR (1)		8-15	943			50		-50		
S (2)	8-20	6-8	2146	502	-40		40			
1 (3)	8-28	9-1	961	524	100,000			100,000		91,000
					107,960	50	40	106,950	1,000	100,000
Cr. 1140						Dr. 1311	Cr. 1311	Dr. 9000	Dr. 9893	Dr. 5350 Cr. 6150

- (1) The debt to Account No. 1311 in this register is the gross amount of the overpayment as recorded from the Controller's accounts receivable register.
- (2) The credit to Account No. 1311 is the gross amount of the overpayment recovered and returned to the agency appropriation by transfer. The debit to Account No. 1311 for the same overpayment would have been recorded in the Payroll Expenditure Register for the month in which the State Controller's Office prepared an accounts receivable register covering the overpayment.
- (3) Except at the close of the fiscal year, the transfer covering the main regular monthly payroll for a given monthly pay period is recorded in the Payroll Expenditure Register for that month even though the transfer may be dated in the following month. Payroll transfers dated in July covering payrolls for services rendered in June must be recorded in the Payroll Expenditure Register for July.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 5**

**10505**

(Revised 5/87)

#### **Nature of Transaction:**

Notices of Claims Paid, Form CD-102, are received from the State Controller's Office for warrants issued in payment of claims. The warrants are either (1) centrally mailed to payees by the State Controller's Office or (2) delivered for distribution to payees to the agency that submitted the claim schedule. (This entry is made as a transaction of the month in which the Controller's Warrants were issued as indicated on Form CD-102.) See 10515 for entry to record settlement of "NO WARRANT" claims.

#### **Journal Entry for General Ledger Accounts:**

##### **Debit:**

3020    Claims Filed

##### **Credit:**

1140    Cash in State Treasury

#### **Source:**

##### **Document:**

Notice of Claims Paid, Form CD-102

##### **Register:**

None. Use an adding machine tape of Forms CD-102

#### **Explanation:**

This entry is made at the close of each month to record Notices of Claims Paid, Form CD-102, received from the State Controller's Office. The total of warrants issued as shown on each Form CD-102 is checked with the amount of the claim filed. Inclusive warrant numbers or warrant dates are entered on agency copies of Schedule of Bills Filed, Form 210. The Forms CD-102 are filed and monthly an adding machine tape of the CD-102's dated in that month is used as the basis for the entry to the general ledger accounts.

## SAM—STANDARD ENTRIES

### ENTRY NO. 6

10506

(Revised 5/87)

Nature of Transaction:

Agency prepares invoices for abatements and for reimbursements, revenue, and other income.

Journal Entry for General Ledger Accounts:

Debit:		
1311	Accounts Receivable—Abatements	a/
1312	Accounts Receivable—Reimbursements	b/
1313	Accounts Receivable—Revenue	c/
1319	Accounts Receivable—Other	d/
Credit:		
1600	Provision for Deferred Receivables	e/
8100	Reimbursements	f/
9000	Appropriation Expenditures	g/
9893	Prior-Year Appropriation Adjustments	h/

- a/ amount of expenditure abatements billed and all sales tax billed regardless of type of transaction. (See SAM Section 10220 for definition of an abatement.)
- b/ amount of reimbursements billed.
- c/ amount of revenue items billed.
- d/ amount of Accounts Receivable—Other billed.
- e/ amount of items billed in "c" and "d" plus (1) the amount of any reimbursement items billed which, according to law, must be credited to an appropriation current at the time of collection or at the time cash is ordered into the treasury and (2) any other receivables for which a reserve is deemed appropriate.
- f/ amount of current year reimbursement items billed, excluding any amounts of reimbursements which according to law must be credited to an appropriation current at the time of collection or at the time cash is ordered into the treasury.
- g/ amount of current year appropriation expenditure abatement items billed and all sales tax billed regardless of type of transaction.
- h/ amount of abatement and reimbursement items billed that are applicable to prior fiscal year appropriations no longer available for encumbrance.

Source:

Document:  
Agency invoice

Register:  
Invoice Register

(Continued)

# SAM—STANDARD ENTRIES

(Continued)

## ENTRY NO. 6

(Revised 5/87)

10506 (Cont. 1)

### Explanation:

This entry is used to record the billing for unpaid abatements, reimbursements, revenue, and other income items. In most cases revenue and abatement items are collected when due and normally require no billings. When Accounts Receivable—Revenue and Accounts Receivable—Other are billed, they are credited to a reserve account until collected and cleared as revenue. In contrast to this procedure, abatements are applied as decreases of expenditures and most types of reimbursements are applied as income when billed. Certain types of reimbursements are fully reserved with final accounting to be made either at the time of collection or at the time remittances are ordered into the treasury, depending upon the specific law governing the transaction. The bills are recorded in the Invoice Register as of the date they are prepared.

Abatements and reimbursements that have been accrued previously as receivables but not billed will not be included in this entry when billed. However, Accounts No. 1311, 1312, 1600, and 9893 will be adjusted for the difference between the amounts billed and the amounts previously accrued.

### INVOICE REGISTER

To	Invoice Number	Date	Total 1	Accounts Receivable							
				Abatements		Reimbursements			Revenue 7	Other 8	
				Current 2	Prior-Year 3	Current 4	Prior-Year 5	Deferred 6			
J.R. Jones	428	4-28	150.00		150.00						
W.R. Smith	29		350.00							350.00	
State Dept. of	430		1,450.00			1,450.00					
K.W. Pease	31	4-29	300.00	300.00							700.00
A.B. Cook	34		700.00								
G.H. Isham	36	4-30	125.00				125.00				
State Dept. of	37		50.00					50.00			
K.W. Burns	38		700.00			700.00					
			3,825.00	300.00	150.00	2,150.00	125.00	50.00	350.00	700.00	
				Dr. 1311 Cr. 9100	Dr. 1311 Cr. 9893	Dr. 1312 Cr. 8000	Dr. 1312 Cr. 9893	Dr. 1312 Cr. 1600	Dr. 1313 Cr. 1600	Dr. 1319 Cr. 1600	

Dr. 1311 Dr. 1311 Dr. 1312 Dr. 1312 Dr. 1312 Dr. 1313 Dr. 1319  
Cr. 9000 Cr. 9893 Cr. 8100 Cr. 9893 Cr. 1600 Cr. 1600 Cr. 1600

\*Where any significant volume of invoices is prepared, agencies will make a single entry for each day showing beginning and ending invoice numbers. This entry will be supported by a numeric file of invoices.

## SAM—STANDARD ENTRIES

### ENTRY NO. 7

10507

(Revised 5/87)

Nature of Transaction:

General Cash is received by the agency for deposit in the agency's general checking account maintained with the State Treasurer. Such receipts consist of abatements, reimbursements and revenue not previously billed; collections applicable to accounts receivable for items previously billed; and items whose identity or accounting cannot readily be determined.

Journal Entry for General Ledger Accounts:

Debit:

1110	General Cash	a/
1316	Accounts Receivable—Cash Shortages	b/
1600	Provision for Deferred Receivables	c/

Credit:

1311	Accounts Receivable—Abatements	d/
1312	Accounts Receivable—Reimbursements	e/
1313	Accounts Receivable—Revenue	f/
1315	Accounts Receivable—Dishonored Checks	g/
1316	Accounts Receivable—Cash Shortages	h/
1319	Accounts Receivable—Other	i/
3110	Due to Other Funds or Appropriations	j/
3410	Revenue Collected in Advance	k/
3420	Reimbursements Collected in Advance	l/
3710	Cash Overages	m/
3730	Uncleared Collections	n/
8000	Revenue	o/
8100	Reimbursements	p/
9000	Appropriation Expenditures	a/
9892	Prior-Year Revenue Adjustments	a/
9893	Prior-Year Appropriation Adjustments	s/

a/ total cash received for deposit in the General Cash account.

b/ amount of cash shortages occurring during the month for which cashiers are held accountable.

c/ amount of cash received applicable to receivables accounted during the year on a fully-reserved basis and applied when collected to the appropriate revenue account.

(Continued)

## SAM—STANDARD ENTRIES

(Continued)

### ENTRY NO. 7

10507 (Cont. 1)

(Revised 5/87)

- d/ amount of cash receipts applicable to expenditure abatements receivables (excluding collections from employees for salary overpayments).
- e/ amount of cash receipts applicable to reimbursement receivables.
- f/ amount of cash receipts applicable to revenue receivables.
- g/ amount of cash received in payment of dishonored checks (unless alternate procedure is used).
- h/ amount of cash received from cashiers in payment of cash shortages.
- i/ amount of cash received in payment of other accounts receivable.
- j/ amount of cash received applicable to revenue collected for other funds earned in the current fiscal year plus cash received applicable to revenue collected for other funds but not identifiable to the fiscal year in which it was earned.
- k/ amount of cash received which will be accounted as revenue of a succeeding fiscal year.
- l/ amount of cash received which will be accounted as a reimbursement to a current or subsequent fiscal year's appropriation when earned.
- m/ amount of cash received representing cash overages.
- n/ amount of cash received for items whose identity or accounting cannot be readily determined; amount of cash received applicable to reimbursements (billed or unbilled) which, according to law, can be applied only at the time the cash is ordered into the treasury; or salary overpayments collected from employees by the agency.
- o/ amount of cash received applicable to revenue earned in the current fiscal year plus cash received applicable to revenue but not identifiable to the fiscal year in which it was earned.
- p/ amount of cash received applicable to (1) billed reimbursements which, according to law, can be applied only at the time cash is received and (2) all unbilled reimbursements except those applicable to prior fiscal years and those that can be applied only at the time cash is ordered into the treasury.
- q/ amount of cash receipts applicable to current year expenditure abatements not billed or accrued previously.
- r/ amount of cash received applicable to revenue (except reimbursements) which was identified as being earned as of the preceding June 30.
- s/ amount of cash received in excess of amounts accrued in prior fiscal years as expenditure abatements or reimbursements. If the amount of cash received is less than amounts accrued in prior fiscal years, Account No. 9893 will be debited.

Source:

Document:

General Cash Receipt

Register:

General Cash Receipts Register

(Continued)

## **SAM—STANDARD ENTRIES**

(Continued)

### **ENTRY NO. 7**

**10507 (Cont. 2)**

(Revised 5/87)

#### **Explanation:**

The recordation of cash receipts deposited in the general cash account is illustrated in this entry. The General Cash Receipts Register will show both the date of receipt and the date of deposit of all cash receipts. All cash collections must be deposited in approved depositories (see SAM Section 8031) and are later either (1) refunded if determined to be unacceptable or (2) remitted to the State Treasury at least once each month. Current collections are used also to satisfy bank demands for reimbursement for dishonored checks until ultimate collection is made from the drawers or relief from accountability is granted by the State Board of Control.

Accounts Receivable—Revenue and Accounts Receivable—Other items are deferred when recorded. They must, therefore, be applied as revenue when collected.

Reimbursements may be of one of the following categories depending upon specific laws governing the accounting of such transactions: (1) receipts which accrue to the year in which the transaction occurred, (2) receipts which accrue to the year in which cash is collected by the agency, and (3) receipts which accrue to the year in which cash is ordered into the treasury. Transactions in the third category, when collected are credited to a suspense account (Uncleared Collections) pending receipt of notice from the State Controller's Office that cash has been ordered into the treasury (see SAM Section 10510). Items in category 1 (if not billed or accrued previously) and in category 2 are applied at the time cash is collected by the agency.



SAM—STANDARD ENTRIES

GENERAL CASH RECEIPTS REGISTER														
Date of Receipt	Receipt or Voucher Number	Date of Deposit	Total Amount of Receipts	Accts. Rec. - Cash Shortage	Receipts Receivable			Revenue	Uncleared Collections	Reimbursements	Approp. Encumbrances	Prior Year Revenue Adjustments	Prior Year Approp. Adj.	Summary Accts. - Balance
					1010 Applied	1020 Deferred	Other							
4/21	127-142		140		100	15	25							
	143		390						390					
	144	4/21	50						50					
4/22	145		10											
	146	4/22	1,700					1,700						
4/23	147-153	4/23	850							350	150	150	150	Cr. 1315
	154		450					3,000			50		50	Cr. 3710
4/24	155	4/24	3,100					2,900						
4/25	156		2,900											
	157-161	4/25	375				375							
4/26	162		395	5										
	163-166	4/26	150							400				
	167		120											
4/29	168	4/29	7,120					7,120						
			17,750	5	470	15	900	14,870	640	350	200	150	200	210
					Dr. 1110 Br. 1316 Cr. 1311 Dr. 1600 Br. 1600 Cr. 1312 Dr. 1600 Cr. 1312 Cr. 1313 Cr. 8100									

\*This column needed only by those agencies that collect reimbursements which according to law, can be applied only at the time the cash is ordered into the treasury.

## SAM—STANDARD ENTRIES

### ENTRY NO. 8

10508

(Revised 5/87)

#### Nature of Transaction:

Uncleared collections (other than those applied through the Controller's Receipts Register in Entry No. 12) and cash overages are applied.

#### Journal Entry for General Ledger Accounts:

##### Debit:

1600	Provision for Deferred Receivable	a/
3710	Cash Overages	b/
3730	Uncleared Collections	c/

##### Credit:

1311	Accounts Receivable—Abatements	d/
1312	Accounts Receivable—Reimbursements	e/
1313	Accounts Receivable—Revenue	f/
1315	Accounts Receivable—Dishonored Checks	g/
1316	Accounts Receivable—Cash Shortages	h/
1319	Accounts Receivable—Other	i/
3110	Due to Other Funds or Appropriations	j/
3410	Revenue Collected in Advance	k/
3420	Reimbursements Collected in Advance	l/
8000	Revenue	m/
8100	Reimbursements	n/
9000	Appropriation Expenditures	o/
9892	Prior-Year Revenue Adjustments	p/
9893	Prior-Year Appropriation Adjustments	q/

- a/ amount of collections now applied to receivables accounted during the year on a fully-reserved basis and applied when collected to the appropriate revenue account.
- b/ amount of cash accounted previously as cash overages, now applied as revenue, less any amounts cleared from the uncleared collections account to the cash overages account.
- c/ amount of cash receipts accounted previously as uncleared collections, now applied to appropriate accounts.
- d/ amount of collections now applied to expenditure abatement receivables (excluding collections from employees for salary overpayments).

(Continued)

## **SAM—STANDARD ENTRIES**

(Continued)

### **ENTRY NO. 8** (Revised 5/87)

**10508 (Cont. 1)**

- e/ amount of collections now applied to reimbursement receivables.
- f/ amount of collections now applied to revenue receivables.
- g/ amount of collections now applied in payment of dishonored checks.
- h/ amount of collections now applied in payment of cash shortages.
- i/ amount of collections now applied to other accounts receivable.
- j/ amount of collections now applied as revenue collected for other funds earned in the current fiscal year plus collections now applied as revenue collected for other funds but not identifiable to the fiscal year in which they were earned.
- k/ amount of collections now applied to revenue of the succeeding fiscal year.
- l/ amount of collections now applied as a reimbursement to a current or subsequent fiscal year's appropriation.
- m/ amount of collections now applied as revenue earned in the current fiscal year plus collections now applied as revenue but not identifiable to the fiscal year in which they were earned.
- n/ amount of collections now applied as current year reimbursements that were not billed previously or were deferred when billed because, according to law, they are to be applied to the year in which they are collected by the agency.
- o/ amount of collections now applied as abatements to current year appropriation expenditures.
- p/ amount of collections now applied to revenue (except reimbursements) which was identified as being earned as of the preceding June 30.
- q/ amount of collections now applied in excess of amounts accrued in prior fiscal years as expenditure abatements or reimbursements. If the amount of cash cleared is less than amounts accrued in prior fiscal years, Account No. 9893 will be debited.

Source:

Documents:

Licenses, permits, or other documents evidencing revenue, reimbursements, and abatements earned.

Register:

Clearance Register

Explanation:

Cash receipts which could not be identified, or for which accounting treatment could not be determined, at time of collection are applied to appropriate accounts by this entry. Varying circumstances determine the clearance of each transaction, but as each item or group of items is cleared it is entered in the Clearance Register and applied to appropriate accounts.

Cash overages also are cleared in this register. These items should be cleared as revenue at least once each quarter.

SAM—STANDARD ENTRIES

CLEARANCE REGISTER

Date of Clearance	Reference	Cash Overages	Uncleared Collections	Abate-ments	Accounts Receivable		Revenue	Reimburse-ments	Approp-riation Expend.	Prior Year Revenue Adj.	Prior Year Approp. Adj.	Sundry Accts. Account	
					To be Applied	Other						Amount	12. 13.
3-21			120.00		120.00							20.00	Cr. 1315
3-22			90.00			70.00	400.00					10.00	Cr. 1316
3-23			400.00					40.00				5.00	Cr. 1319
3/24			10.00					240.00	80.00		20.00		
3-31		-30.00	30.00					45.00			50.00		
		45.00	70.00	20.00									
		15.00	1,200.00	20.00	120.00	70.00	400.00	280.00	80.00		70.00	35.00	

Dr. 3710 Cr. 1311 Dr. 1600 Cr. 1312 Cr. 1600 Cr. 8000 Cr. 8100 Cr. 9000 Cr. 9892 Cr. 9893  
 Cr. 1312 Cr. 1313 Cr. 8000

S19/1606/27

10508 Illustration

## SAM – STANDARD ENTRIES

### ENTRY NO. 9 [ACCOUNTS RECEIVABLE ARE WRITTEN OFF]

10509

(Revised 12/09)

#### **Nature of Transaction:**

Accounts receivable are written off upon receipt of an approved Application for Discharge from Accountability Form, STD. 27 from the State Controller's Office (SCO). Accounts receivable of less than \$500 can be written off if the California Victim Compensation and Government Claims Board (VCGCB) has provided blanket authority to the department. (See SAM Section 8776.6).

Cash shortages may be written off without approval in certain instances. (See SAM Section 8072).

#### **Journal Entry for General Ledger Accounts:**

##### **Debit:**

1600 Provision for Deferred Receivables a/  
3730 Uncleared Collections b/  
8000 Revenue c/  
8100 Reimbursements d/  
9000 Appropriation Expenditures e/  
9892 Prior Year Revenue Adjustments f/  
9893 Prior-Year Appropriations Adjustments g/

##### **Credit:**

1311 Accounts Receivable-Abatements h/  
1312 Accounts Receivable-Reimbursements i/  
1313 Accounts Receivable-Revenue j/  
1315 Accounts Receivable-Dishonored Checks k/  
1316 Accounts Receivable-Cash Shortages l/  
1319 Accounts Receivable-Other m/

a/ amount of accounts receivable for deferred revenue, deferred reimbursements, or other deferred accounts receivable.

b/ amount of accounts receivable for dishonored checks or identified cash shortages applicable to reimbursements which according to law augment the appropriation current at the time of their being ordered into the Treasury.

c/ amount of accounts receivable for dishonored checks or identified cash shortages applicable to revenue and all accounts receivable for unidentified cash shortages.

d/ amount of accounts receivable for reimbursements, dishonored checks, or identified cash shortages, applicable to current fiscal year appropriation reimbursements.

e/ amount of accounts receivable for abatements, dishonored checks, or identified cash shortages, applicable to current fiscal year appropriation expenditures.

f/ amount of accounts receivable which relate to dishonored checks or identified cash shortages applicable to revenue which was identified as being earned as of the preceding June 30.

g/ amount of accounts receivable for abatements, reimbursements, dishonored checks, or identified cash shortages, applicable to prior years appropriations but not yet reverted.

h/ amount of Accounts Receivable-Abatements.

i/ amount of Accounts Receivable-Reimbursements.

j/ amount of Accounts Receivable-Revenue.

k/ amount of Accounts Receivable-Dishonored Checks.

l/ amount of Accounts Receivable-Cash Shortages.

m/ amount of accounts receivable for abatements, reimbursements, dishonored checks, or identified cash shortages, applicable to reverted appropriations or other accounts receivable not otherwise classified.

(Continued)

## **SAM – STANDARD ENTRIES**

(Continued)

### **ENTRY NO. 9 [ACCOUNTS RECEIVABLE ARE WRITTEN OFF]** (Revised 12/09)

**10509 (Cont. 1)**

#### **Source**

#### **Document:**

Approved Application for Discharge from Accountability or blanket authority (SAM Section 8776.6), or a cash shortage report (SAM Section 8072).

#### **Explanation:**

Government Code (GC) Section 13941 provides that under certain conditions state departments may file applications with the SCO for discharge from accountability for the collection of taxes, licenses, fees, or other money due and payable to the state. However, departments will not file an application with the SCO until they have attempted collection through the offset claim procedures detailed in SAM Sections 8790. All applications filed with the SCO must state the offset steps undertaken.

In addition, GC Section 13943.2 provides that upon authorization of the VCGCB, departments are not required to collect taxes, license, fees, or money owed to the state if the amount to be collected is five hundred (\$500) or less and the amount owed to the state is uncollectible or does not justify the cost of collection.

For receivables that are not a result of a cash shortage, this entry shows the possible adjustments made to agency accounts to write off those accounts receivable.

For revenue, reimbursement, or abatement receivables that are a result of a cash shortage, this entry shows the possible adjustments made to agency accounts. If amounts in excess of actual cash collections for revenue, reimbursement, or abatement transactions have been remitted to the State Treasury, it will be necessary for the agency to short the next remittance to the Treasury for such amounts included in this entry.

Deficiencies in an established fund balance (e.g., revolving fund, depositors' trust fund, or uncleared collections) are not written off by this entry.

**SAM—STANDARD ENTRIES****ENTRY NO. 10****10510**

(Revised 2/99)

**Nature of Transactions:**

Cash is disbursed from the agency's General Cash account as refunds to payers, as remittances to the State Treasury, or to banks for dishonored checks.

**Journal Entry for General Ledger Accounts:****Debit:**

1150	Cash in Transit to State Treasury	a/
1315	Accounts Receivable—Dishonored Checks	b/
3730	Uncleared Collections	c/
8000	Revenue	d/
9892	Prior Year Revenue Adjustments	e/

**Credit:**

1110	General Cash	f/
------	--------------	----

a/ = amount of general cash remitted for deposit in the State Treasury.

b/ = payments to banks for dishonored checks.

c/ = amount of suspense items refunded to payers and/or any unclaimed moneys in the General Cash account remitted to the State Treasury for deposit in the Special Deposit Fund.

d/ = amount of revenue refunded to payers.

e/ = amount of prior year revenue refunded to payers.

f/ = total cash disbursements.

**Source:****Document:**

General Cash Check

**Register:**

General Cash Disbursement Register

**Explanation:**

All general cash disbursements are made by check. General cash disbursements by coin or currency are not permitted. Refunds to payers because of denied applications or for other reasons are made daily or as refunds are determined and approved. Remittances to the State Treasury of revenue, expenditure abatements, and reimbursements are made at least once each month or more frequently if volume warrants or special regulations require. All checks for remittance to the treasury are made payable to the State Treasurer. (See SAM Section 8091 for remittance procedure.)

State agencies are notified by banks whenever checks are dishonored. Upon notice that a check has been dishonored, the agency reimburses the bank with a check drawn upon the agency General Cash account. Accounts Receivable—Dishonored Checks is debited at the time this check is drawn. When another check or legal tender is substituted by the drawer, General Cash is debited and Accounts Receivable—Dishonored Checks is credited. (See Entry No. 11 for alternate procedure.)

(Continued)

## **SAM—STANDARD ENTRIES**

(Continued)

### **ENTRY NO. 10**

**10510 (Cont. 1)**

(Revised 2/99)

Dishonored checks relating to revolving fund or agency trust transactions are cleared with checks drawn against the respective revolving fund or agency trust accounts. In such cases, the revolving fund receivable or depositor's account will be debited instead of Accounts Receivable—Dishonored Checks.

#### **Transfer of Unclaimed Checks to the State Treasury:**

If a general cash check dated before January 1, 1998 is (1) returned in the mail and the agency is unable to locate the payee, or (2) is outstanding for two years, the check is canceled in the General Cash Disbursements Register by recording the amount of the check as a debit to General Cash and a credit to Uncleared Collections. A check is drawn payable to the State Treasurer to remit this amount to the Special Deposit Fund Unclaimed Trust Account. (See SAM Section 18424.5). The amount of this check is recorded as a debit to Uncleared Collections and a credit to General Cash.



**ENTRY NO. 11**

**10511**

(Revised 5/87)

**Nature of Transaction:**

Cash is disbursed from the agency's General Cash account to reimburse banks for dishonored checks. (This alternate procedure is to be used by agencies that desire to charge dishonored checks to revenue accounts previously credited.)

**Journal Entry for General Ledger Accounts:**

**Debit:**

1315	Accounts Receivable—Dishonored Checks	a/
3110	Due to Other Funds or Appropriations	b/
8000	Revenue	c/
8100	Reimbursements	d/

**Credit:**

1110	General Cash	e/
1600	Provision for Deferred Receivable	f/

- a/ total amount of dishonored checks purchased.
- b/ amount of dishonored checks previously accounted as revenue collected for other funds.
- c/ amount of dishonored checks previously accounted as revenue.
- d/ amount of dishonored checks applicable to reimbursements that are not to be accounted as reimbursements until collected or until ordered into the State Treasury.
- e/ total amount of dishonored checks purchased.
- f/ amount of dishonored checks that will not be credited to income accounts until collected and the receivables for which must be fully reserved (b+c+d).

**Source:**

**Document:**

Bank debit notice of dishonored checks

**Register:**

General Cash Disbursements Register

**Explanation:**

This entry shows the alternate procedure for recording dishonored checks to that shown in Entry No. 10. It would actually be made as a part of Entry No. 10, and the explanation pertaining to General Cash disbursements under that entry applies. This entry directly adjusts the accounts affected by dishonored check transactions. When the dishonored check is redeposited or a replacement check is received:

- increase the cash and revenue accounts, and
- decrease the receivable and provision accounts.

At year-end, accrue the amount of dishonored checks expected to be collected in the next fiscal year. (For a similar accounting entry, see Adjusting Entry No. A-9.)

## SAM—STANDARD ENTRIES

## ENTRY NO. 12

(Revised 5/87)

10512

**Nature of Transaction:**

Controller's receipt (the certification copy of Controller's Remittance Advice Form CA21) ordering cash into the State Treasury is received by the agency. (This entry is made in the agency accounts as a transaction of the month indicated by the date of the Controller's receipt.)

Journal Entry for General Ledger Accounts:

## Debit:

1140	Cash in State Treasury	a/
------	------------------------	----

Credit:

1150	Cash in Transit to State Treasury	b/
------	-----------------------------------	----

Note 1: The following entry is made when the agency receives the certification copy of Controller's Remittance Advice, Form CA21, for salary overpayments ordered into the State Treasury to the credit of the State Payroll Revolving Fund.

## Debit:

3730      Uncleared Collections      c/

Credit:

1150	Cash in Transit to State Treasury	d/
------	-----------------------------------	----

Note 2: The following entry is also made for the amount of reimbursements included in "c" which, according to law, must be applied to the appropriation current at the time moneys are ordered into the State Treasury.

## Debit:

3730    Uncleared Collections    e/

Credit:

8100	Reimbursements	e/
------	----------------	----

- a/ amount credited to funds other than the State Payroll Revolving Fund.
- b/ total amount of cash in transit credited to treasury funds by the State Controller's Office.
- c/ amount of salary overpayments collected from employees and remitted by the agency to the credit of the State Payroll Revolving Fund. (See Section 8593.2 for explanation of such transactions.)
- d/ Same as "c/".
- e/ amount now applied reimbursements.

Source:

## Document:

Controller's receipt (Certification copy of Controller's Remittance Advice Form CA21)

(Continued)

**SAM—STANDARD ENTRIES**

(Continued)

**ENTRY NO. 12****10512 (Cont. 1)**

(Revised 5/87)

Register:

Controller's Receipts Register (if volume justifies)

Explanation:

This entry is made to clear the Cash in Transit to State Treasury account and to liquidate the Uncleared Collections Account when the agency receives the Controller's certification of cash ordered into the State Treasury. Cash in Transit to State Treasury may be comprised of (1) amounts pertaining to an agency operating fund and/or (2) amounts representing salary overpayments being remitted to the State Payroll Revolving Fund. Uncleared Collections may be comprised of (1) Reimbursements and/or amounts representing salary overpayments being remitted to the State Payroll Revolving Fund.

Included in this entry also is the application of reimbursements of the type that, according to law, must be credited to the appropriation current at the time moneys are ordered into the State Treasury.

When Controller's receipts are received by the agency, corresponding remittance advices are removed from the uncleared file, compared with the receipts to note any differences, and then discarded. The Controller's receipted copy is the only copy filed in the cleared file.

**CONTROLLER'S RECEIPTS REGISTER**

Date	Receipt Number	Amount of Receipt	Cash in State Treasury	Accounts Receivable-- Abatements	Reimbursements To Be Applied
		1.	2.	3.	4.
4-5	1171	1,400.00	1,400.00		100.00
4-6	1250	2,350.00	2,276.00	74.00	
4-8	1345	1,800.00	1,800.00		
4-10	1451	900.00	900.00		
4-15	1452	6,600.00	6,574.00	26.00	
4-20	1501	450.00	450.00		
4-25	1550	2,650.00	2,650.00		200.00
4-30	1600	17,900.00	17,900.00		4,700.00
		34,050.00	33,950.00	100.00	5,000.00
		Cr.1150	Dr. 1140	Dr. 1311	Dr. 3730 Cr. 8100

**ENTRY NO. 13**

**10513**

(Revised 5/87)

Nature of Transaction:

Cash is received that is not expected to be deposited.

Journal Entry for General Ledger Accounts:

Debit:

1190     Cash on Hand

Credit:

3730     Uncleared Collections

Source:

Document:

Cash Receipt

Register:

Cash on Hand Register

Explanation:

When cash or checks are received that (1) normally will be returned to payers without being deposited, such as bid deposits, or (2) are payments of smaller amounts than are due the State which if deposited would prejudice the State's right to make further collections, they are retained in agency custody as cash on hand until their final disposition is determined. These items subsequently will be either (1) returned to the payers or (2) applied and deposited in the General Cash account.

Agencies will maintain a register of such items received, on which subsequently will be noted the date on which each item is returned or deposited. The open items in this register will be proved or reconciled monthly to the amount of such cash on hand and to the balance of Account No. 1190.

When these items are returned to the payers or deposited the above entry is reversed. When these items are deposited in the General Cash account, the amount is recorded in the General Cash Receipts Register and included in Entry No. 7.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 14** (Revised 2/99)

**10514**

#### Nature of Transaction:

A transfer is received from the State Controller's Office for an amount advanced from the agency's appropriation or fund to a service agency. (This entry is recorded as a transaction of the month indicated by the date of the Controller's Reserved Appropriation Advance.)

#### Journal Entry for General Ledger Accounts:

##### Debit:

1730    Prepayments to Other Funds or Appropriations

##### Credit:

1140    Cash in State Treasury

#### Source:

##### Document:

Controller's Reserved Appropriation Advance

##### Register:

Controller's Transfer Register (if volume warrants)

#### Explanation:

This entry is made to record the amount advanced from the agency's appropriation or fund to a service agency or fund such as the Service Revolving Fund. This entry will not be used to record advances to the Water Resources Revolving Fund, the State Highway Account, State Transportation Fund, or the Architecture Revolving Fund. Advances to these funds will be recorded as shown in Entry No. 17.

Note: This entry would be reversed for any portion of the advance returned from the service agency or fund.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 15**

**10515**

(Revised 2/99)

Nature of Transaction:

"NO WARRANT" claims are settled. (This entry will be accounted as a transaction of the month indicated by the date of the Controller's No-Warrant Transaction.)

Journal Entry for General Ledger Accounts:

Debit:

3020      Claims Filed

Credit:

1140              Cash in State Treasury

Source:

Document:

Controller's No-Warrant Transaction

Register:

Controller's Transfer Register (if volume justifies use of registers)

Explanation:

This entry records the settlement of "NO WARRANT" claims.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 16**

**10516**

(Revised 5/87)

#### **Nature of Transaction:**

A State Controller's Journal Entry is received for services from the Office of State Printing. This entry is recorded as a transaction of the date of the Controller's document.

#### **Journal Entry for General Ledger Accounts:**

##### **Debit:**

5350    Reserve for Encumbrances  
9000    Appropriation Expenditures (or other appropriate expenditure account)

##### **Credit:**

1730    Prepayment to Other Funds or Appropriations  
6150    Encumbrances

#### **Source:**

##### **Document:**

Controller's Journal Entry supported by copies of Std. Form 67 and journal entry request.

##### **Register:**

Controller's Journal Entry Register (if volume warrants)

#### **Explanation:**

This entry is made to record the Controller's Journal Entry for payment to the Office of State Printing for printing services and/or supplies received. Agencies will have previously received copies of Printing Requisition–Invoice, Std. Form 67, and the Office of State Printing's journal entry request. (See SAM Sections 8472.1–8472.41.)

The entries would be reversed for State Controller's Journal Entries that reverse previous journal entries.

## SAM—STANDARD ENTRIES

### ENTRY NO. 17 (Revised 5/87)

10517

#### Nature of Transaction:

A Controller's Transfer is received relating to a Public Works Project Authorization and Transfer Request or other document authorizing work to be performed for the agency by the (1) Office of The State Architect, (2) Department of Transportation, or (3) Department of Water Resources. (This entry is made as of the month indicated by the date of the Controller's Transfer.)

#### Journal Entry for General Ledger Accounts:

##### Debit:

1730	Prepayments to Other Funds or Appropriations	a/
5350	Reserve for Encumbrances	b/
9000	Appropriation Expenditures	c/
9893	Prior-Year Appropriation Adjustments	d/

##### Credit:

1140	Cash in State Treasury	a/
	and	
5330	Reserve for Prepaid Items	e/
6150	Encumbrances	b/

- a/ amount transferred to the respective funds or appropriations.
- b/ amount of encumbrance liquidated by the transfer.
- c/ amount chargeable to appropriations currently available for encumbrance.
- d/ amount chargeable to prior-year appropriations no longer available for encumbrance but not yet reverted.
- e/ total amount of transfers.

#### Source:

##### Document:

Controller's Transfer supported by an approved transfer request.

##### Register:

Controller's Transfer Register (if volume justifies.)

#### Explanation:

Upon receipt of an approved transfer request, the State Controller's Office transfers the estimated amount of the project cost to the fund under control of the agency doing the work. At this time the transaction is recorded as an appropriation expenditure and also as a fully-reserved prepayment.

The transfer will be accounted as an expenditure of the fiscal year in which the Controller's Transfer is dated, unless the transfer request was approved and encumbered prior to the June 30 on which the availability of the appropriation for encumbrance expired but the transfer is made in the following fiscal year.



## SAM—STANDARD ENTRIES

### ENTRY NO. 18 [EXPENDITURES FOR PROJECT PREPAYMENTS ARE REPORTED BY A CONSTRUCTION AGENCY]

10518

(Revised 09/10)

#### Nature of Transaction:

Reports of expenditures made during the fiscal year from project advances on projects not yet completed are received from the Department of Transportation or Department of Water Resources.

#### Journal Entry for General Ledger Accounts:

##### Debit:

2350	Construction Work in Progress	a/
5330	Reserve for Prepaid Items	b/

##### Credit:

1730	Prepayments to Other Funds or Appropriation	b/
5200	Investment in General Fixed Assets	a/

a/ amount of expenditures on projects that will be capitalized in the property accounts when completed.

b/ amount of expenditures made during the period of the report, both for projects that will be capitalized upon completion and other work that will not be capitalized.

#### Source:

##### Document:

Reports of expenditures by construction agencies.

#### Explanation:

When construction agencies report to client agencies the expenditures made from prepayments, the prepayment account and the contra reserve are reduced by the amount of such expenditures, thereby reducing the prepayment account to the amount still unexpended by the construction agency. If the expenditures are for a project that will be capitalized in the property records, the amount of such expenditures on uncompleted projects also will be debited to Account No. 2350 and credited to Account No. 5200. No entry to the expenditure accounts is required since the total amount advanced will have been accounted as an expenditure.

### ENTRY NO. 18.A

#### [AN INTERNALLY GENERATED CAPITAL ASSET IN PROGRESS HAS ASSOCIATED COSTS]

(Added 09/10)

#### Nature of Transaction:

An internally generated tangible or intangible asset meets the criteria for capitalization and the development costs associated with the asset are recorded as in progress in GLAN 2350 or 2430. It is recommended this journal entry be recorded at least quarterly. See SAM section 8600 for detailed criteria.

#### Journal Entry for General Ledger Accounts:

##### Debit:

2350	Construction Work in Progress
2430	Internally Generated Intangible Assets in Progress

##### Credit:

5200	Investment in Capital Assets
------	------------------------------

## SAM—STANDARD ENTRIES

### ENTRY NO. 19 [A PROJECT IS COMPLETED BY A CONSTRUCTION AGENCY]

10519

(Revised 09/10)

#### Nature of Transaction:

The Office of the State Architect, Department of Transportation, or the Department of Water Resources reports a project completed, and the State Controller's Office returns by transfer the unexpended portion of prepayments to the agency's appropriation. (This entry is made as a transaction of the month indicated by the date of the Controller's Transfer.)

#### Journal Entry for General Ledger Accounts:

##### Debit:

1140	Cash in State Treasury	a/
2331	Improvements Other than Buildings	b/
2341	Equipment	c/
5330	Reserve for Prepaid Items	d/

##### Credit:

1730	Prepayments to Other Funds or Appropriation	d/
2350	Construction Work in Progress	e/
5200	Investment in Capital Assets	f/
9000	Appropriation Expenditures	g/
9891	Refunds to Reverted Appropriations	h/
9893	Prior-Year Appropriation Adjustments	i/

- a/ amount of prepayments unexpended and now returned.
- b/ total cost of improvements other than buildings now being capitalized, including preliminary planning costs as reported by the Office of the State Architect whether or not paid from an appropriation made to the agency.
- c/ total cost of any equipment included in the project now being capitalized.
- d/ amount of prepayments still outstanding on the agency's books for the particular project now completed.
- e/ amount previously accounted in this account and as a reduction of prepayments for the particular project now completed.
- f/ amount of the difference between the amount previously accounted as Construction Work in Progress and the amount capitalized (b+c-e).
- g/ amount of "a" that is applicable to an appropriation still available for encumbrance.
- h/ amount of "a" that is applicable to an appropriation that has reverted.
- i/ amount of "a" that is applicable to an appropriation no longer available for encumbrance but not yet reverted.

#### Source:

#### Document:

Controller's Transfer supported by a project completion report.

#### Explanation:

After a project is completed a report is issued by the construction agency and any unexpended balance in the project prepayment is returned to the client agency's appropriation. Concurrently the cost of the project now completed, including preliminary planning costs, if a capital improvement as distinguished from a maintenance or repair project, is entered in the capital asset accounts. The project completion report relating to such projects will be analyzed as to the amounts of (1) equipment and (2) improvements other than buildings included in the project. (See SAM Section 8613.)

(Continued)

## **SAM—STANDARD ENTRIES**

(Continued)

### **ENTRY NO. 19. [AN INTERNALLY GENERATED CAPITAL ASSET IS COMPLETED] 10519 (Cont. 1)** (Revised 06/11)

#### **Nature of Transaction:**

An internally generated tangible or intangible asset is completed and the development costs associated with that asset that were recorded as in progress in GLAN 2350 or 2430 are recorded in the appropriate property account.

#### **Journal Entry for General Ledger Accounts:**

##### **Debit:**

2321 Buildings  
2331 Improvements Other than Buildings  
2333 Utility Plant in Service  
2341 Equipment  
2361 Infrastructure-Non-depreciable  
2362 Infrastructure-Depreciable  
2411 Computer Software—Amortizable  
2412 Land Use Rights—Amortizable  
2413 Patents, Copyrights, Trademarks—Amortizable  
2414 Other Intangible Assets—Amortizable  
2422 Land Use Rights-Non-amortizable  
2423 Patents, Copyrights, Trademarks-Non-amortizable  
2424 Other Intangible Assets-Non-amortizable

##### **Credit:**

2350 Construction Work in Progress  
2430 Internally Generated Intangible Assets in Progress

#### **Source:**

##### **Document:**

Notification is received that an internally generated capital asset is complete.

#### **Explanation:**

After an internally generated tangible or intangible asset is complete, the project completion status and total cost is determined. Methods for determining total cost should be retained as a record of the asset value. (See SAM section 8635).

## SAM—STANDARD ENTRIES

### ENTRY NO. 20 [CAPITAL ASSETS ARE ACQUIRED]

10520

(Revised 09/10)

#### Nature of Transaction:

Capital Assets (other than those that are internally generated or obtained through project prepayments to the Office of the State Architect, the Department of Transportation, or the Department of Water Resources) are acquired.

#### Journal Entry for General Ledger Accounts:

##### Debit:

2310 Land  
2321 Buildings  
2331 Improvements Other than Buildings  
2333 Utility Plant in Service  
2341 Equipment  
2361 Infrastructure-Non-depreciable  
2362 Infrastructure-Depreciable  
2411 Computer Software—Amortizable  
2412 Land Use Rights—Amortizable  
2413 Patents, Copyrights, Trademarks—Amortizable  
2414 Other Intangible Assets—Amortizable  
2422 Land Use Rights—Non-Amortizable  
2423 Patents, Copyrights, Trademarks—Non-Amortizable  
2424 Other Intangible Assets—Non-Amortizable

##### Credit:

5200 Investment in Capital Assets

### ENTRY NO. 21 [CAPITAL ASSETS ARE WRITTEN OFF]

10521

(Revised 09/10)

#### Nature of Transaction:

Capital Assets are written off.

#### Journal Entry for General Ledger Accounts:

##### Debit:

5200 Investment in Capital Assets

##### Credit:

2321 Buildings  
2331 Improvements Other than Buildings  
2333 Utility Plant in Service  
2341 Equipment  
2361 Infrastructure-Non-depreciable  
2362 Infrastructure-Depreciable  
2411 Computer Software—Amortizable  
2412 Land Use Rights—Amortizable  
2413 Patents, Copyrights, Trademarks—Amortizable  
2414 Other Intangible Assets—Amortizable  
2422 Land Use Rights—Non-Amortizable  
2423 Patents, Copyrights, Trademarks—Non-Amortizable  
2424 Other Intangible Assets—Non-Amortizable

## SAM—STANDARD ENTRIES

### ENTRY NO. 22 [CAPITAL ASSET IS ACQUIRED BY INSTALLMENT PURCHASE OR CAPITAL LEASE CONTRACT]

10522

(Revised 09/10)

#### Nature of Transaction:

Capital Asset is acquired by an installment purchase or capital lease (lease-purchase) contract. (See SAM Section 8632.)

#### Journal Entry for General Ledger Accounts:

##### Debit:

2310 Land a/  
2321 Buildings a/  
2331 Improvements Other than Buildings a/  
2333 Utility Plant in Service a/  
2341 Equipment a/  
2361 Infrastructure-Non-depreciable a/  
2362 Infrastructure-Depreciable a/  
2411 Computer Software—Amortizable a/  
2412 Land Use Rights—Amortizable a/  
2413 Patents, Copyrights, Trademarks—Amortizable a/  
2414 Other Intangible Assets—Amortizable a/  
2422 Land Use Rights—Non-Amortizable a/  
2423 Patents, Copyrights, Trademarks—Non-Amortizable a/  
2424 Other Intangible Assets—Non-Amortizable a/  
2920 Amount to be Provided for Other Long-Term Debt b/

##### Credit:

4210 Installment Contracts Payable b/  
4220 Lease-Purchase Contracts b/  
5200 Investment in Capital Assets c/

a/ Specific asset type; recorded in appropriate general ledger account above recorded at lesser of fair value or present value of the minimum contract payments.

b/ Same amount as "a/" less any amount paid at inception of contract.

c/ Offset to Capital Asset Group of Accounts.

#### Source:

#### Document:

Capital lease or installment purchase contract.

#### Explanation:

When a lease contract which is essentially an installment purchase, or an actual installment purchase contract is executed, an asset is recorded in the Capital Asset Group of Accounts. Since there is also a long-term commitment to make the lease or installment payments, a liability is also recorded in the General Long-Term Debt Account Group. (See SAM Section 8632.)

#### Note:

This entry would normally be included in Entry No. 20. It is shown here separately for clarity.

## SAM—STANDARD ENTRIES

### ENTRY NO. 23 [CLAIM IS FILED FOR PAYMENT ON INSTALLMENT PURCHASE OR CAPITAL LEASE CONTRACT]

10523

(Revised 09/10)

#### Nature of Transaction:

Claim is filed for payment on installment purchase or capital lease (lease-purchase) contract.

#### Journal Entry for General Ledger Accounts:

##### Debit:

4210	Installment Contracts Payable	a/
4220	Lease-Purchase Contracts	a/
9000	Appropriation Expenditures	b/

##### Credit:

2920	Amount to be Provided for Other Long-Term Debt	a/
3020	Claims Filed	b/

a/ Amount of payment made on contract excluding any interest, maintenance or other operating costs.

b/ Total amount of claim.

#### Source:

#### Document:

Claim Schedule

#### Explanation:

At the time an installment purchase or capital lease (lease-purchase) contract is executed an asset is recorded in the Capital Asset Group of Accounts for the "principal" amount of the contract along with a long-term liability (see Standard Entry No. 22.). As claims are filed for contract payments, the total amount of the claim is charged to expenditures. However, the liability is reduced only for the amount of the payment applicable to the principal, excluding any interest, maintenance, or other operating costs.

#### Note:

This entry would normally be included in Entry No. 3. It is shown here separately for clarity.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 25**

**10525**

(Revised 5/87)

Nature of Transaction:

Revenues collected in advance in a prior fiscal year are credited to the revenue accounts of the fiscal year to which they apply.

Journal Entry for General Ledger Accounts:

Debit:

3410    Revenue Collected in Advance

Credit:

8000    Revenue

Source:

Analysis of June 30 balance of Account No. 3410.

Explanation:

This entry dated July 1 credits to the current fiscal year revenue accounts amounts applicable to those accounts that were received and cleared in the prior fiscal year as revenue collected in advance but that will be earned in the current fiscal year.

If such receipts or any portion thereof were remitted and ordered into the State Treasury during the prior fiscal year as revenue collected in advance, the State Controller's Office will be requested by memorandum to make a similar entry. The memorandum will show the subsidiary accounts to be credited and will cite the Controller's Remittance Advices on which the amounts were remitted.

## **SAM—STANDARD ENTRIES**

**ENTRY NO. 26**  
(Revised 5/87)

**10526**

Nature of Transaction:

Reimbursements collected in advance are credited to the reimbursement accounts of the fiscal year to which they apply.

Journal Entry for General Ledger Accounts:

Debit:

3420    Reimbursements Collected in Advance

Credit:

8100    Reimbursements

Source:

Analysis of balance of Account No. 3420 throughout the year and at June 30.

Explanation:

This entry credits to the appropriate fiscal year reimbursement amounts applicable to those accounts that were previously received and cleared as reimbursements collected in advance.

If such receipts or any portion thereof were remitted and ordered into the State Treasury as reimbursements collected in advance, the State Controller's Office will be requested by memorandum to make a similar entry. The memorandum will show the subsidiary accounts to be credited and will cite the Controller's Remittance Advices on which the amounts were remitted.



## SAM—STANDARD ENTRIES

### ENTRY NO. 27

10527

(Revised 5/87)

#### Nature of Transaction:

Money is transferred to the Condemnation Deposits Fund as a deposit in condemnation proceedings for acquisition of real property. (This entry is made as a transaction of the month indicated by the date of the Controller's Transfer.)

#### Journal Entry for General Ledger Accounts:

##### Debit:

2730	Deposits in Condemnation Proceedings
9000	Appropriation Expenditures

##### Credit:

1140	Cash in State Treasury
5390	Other Reserves

#### Source:

##### Document:

Controller's Transfer

##### Register:

Controller's Transfer Register (if volume justifies).

#### Explanation:

Agencies engaged in condemnation proceedings are required by the court to deposit a sum of money in the Condemnation Deposit Fund. The amount is determined by the court. Such deposits are retained in the Condemnation Deposit Fund until the court orders payment to the grantor. In some instances the court may order an advance payment. However, usually the entire deposit remains in the Condemnation Deposits Fund until final settlement is determined by the court.

## SAM—STANDARD ENTRIES

### ENTRY NO. 28

10528

(Revised 5/87)

Nature of Transaction:

A claim is filed against the agency's fund and appropriation in settlement of a condemnation proceeding for acquisition of real property.

Journal Entry for General Ledger Accounts:

Debit:

1400	Due from Other Funds or Appropriations	a/
2310	Land	b/
2331	Improvements Other than Buildings	c/
5390	Other Reserves	a/
9000	Appropriation Expenditures	d/

Credit:

2730	Deposits in Condemnation Proceedings	a/
3020	Claims Filed	e/
5200	Investment in General Fixed Assets	e/

- a/ amount deposited in the Condemnation Deposits Fund for the case now being settled.
- b/ amount of settlement for land acquired.
- c/ amount of settlement for improvements acquired.
- d/ excess of amount of settlement over amount of the deposit (if amount of judgment is less than the amount of the deposit, this entry will be the reverse of that shown).
- e/ amount of claim filed settlement (b+c).

Source:

Document:

Claim Schedule

Register:

Claims Filed Register

Explanation:

In settlement of some condemnation proceedings payment is made to the grantor from the agency's fund and appropriation prior to return of the deposit from the Condemnation Deposits Fund. In these cases, at the time of filing the claim the State Controller's Officer is requested to transfer the amount of the deposit back to the agency's fund and appropriation, and the amount of the deposit is transferred from Account No. 2730 to Account No. 1400. At this time the actual cost of the fixed assets are recorded in the General Ledger fixed asset accounts. Since the amount deposited was recorded as an appropriation expenditure, only the difference between the amount of the deposit and the amount of the final settlement now is recorded as an appropriation expenditure or abatement.

If a claim for settlement has been filed on or before June 30 but the deposit has not been returned by that date, the amount to be returned will be reported to the State Controller's Office as an abatement accrual.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 29**

**10529**

(Revised 5/87)

#### **Nature of Transaction:**

A deposit in the Condemnation Deposits Fund is returned to the agency's fund and appropriation after the agency has made payment to the grantor from funds under its own control. (This entry is made as a transaction of the month indicated by the date of the Controller's Transfer.)

#### **Journal Entry for General Ledger Accounts:**

##### **Debit:**

1140    Cash in State Treasury

##### **Credit:**

1400    Due from Other Funds or Appropriations

#### **Source:**

##### **Document:**

Controller's Transfer

##### **Register:**

Controller's Transfer Register (if volume justifies).

#### **Explanation:**

When payment is made to the grantor in a condemnation proceeding by a warrant drawn on the agency's fund and appropriation, the State Treasurer will release the deposit in the Condemnation Deposits Fund. Upon request of the agency, the State Controller's Office will transfer the amount of the deposit back to the agency's fund and appropriation.

## SAM—STANDARD ENTRIES

### ENTRY NO. 30

10530

(Revised 5/87)

#### Nature of Transaction:

The State Treasurer files a claim against the Condemnation Deposits Fund to make payments directly to the grantor upon settlement of a condemnation proceeding. (This entry shows the recording of the transaction in the accounts of the fund from which the deposit was originally made.)

#### Journal Entry for General Ledger Accounts:

##### Debit:

1400	Due from Other Funds or Appropriations	a/
2310	Land	b/
2331	Improvements Other than Buildings	c/
5390	Other Reserves	d/

##### Credit:

2730	Deposits in Condemnation Proceedings	d/
5200	Investment in General Fixed Assets	e/
9000	Appropriation Expenditures	a/

a/ excess of amount of deposit over amount of settlement.

b/ amount of settlement for land acquired.

c/ amount of settlement for improvements acquired.

d/ amount deposited in the Condemnation Deposits Fund for the case now being settled.

e/ amount of fixed assets acquired (b+c).

#### Source:

##### Document:

Copy of State Treasurer's Claim Schedule.

#### Explanation:

This entry is made in lieu of Entry No. 28 when payment is made to the grantor by a warrant drawn on the Condemnation Deposits Fund.

If the amount of the settlement is more than the amount of the original deposit, an additional deposit will be made and recorded by Entry No. 27. If the amount of the settlement is less than the original deposit, upon request of the agency the State Controller's Office will transfer the excess amount to the agency's fund and appropriation. The Controller's Transfer is recorded by Entry No. 29.

## **SAM—STANDARD ENTRIES**

### **ENTRY NO. 31**

**10531**

(Revised 5/87)

Nature of Transaction:

Surplus cash is transferred to the Surplus Money Investment Fund.

Journal Entry for General Ledger Accounts:

Debit:

1210 Deposits in Surplus Money Investment Fund.

Credit:

1140 Cash in State Treasury

Source:

Document:

Controller's Transfer

Explanation:

Government Code Sections 16470 through 16476 provide for the transfer of surplus cash in certain funds to the Surplus Money Investment Fund for investment by the State Treasurer. Agencies that maintain the Cash in State Treasury account for such funds are furnished copies of the Controller's Transfer when cash is transferred to or returned From the Surplus Money Investment Fund.

When cash is returned From the Surplus Money Investment Fund the reverse of the above the entry is made.

These entries are recorded as transactions of the month indicated by the date of the Controller' s Transfer.

## SAM—STANDARD ENTRIES

### ENTRY NO. 32

10532

(Revised 6/04)

Nature of Transaction:

Interest earnings on investments of the Surplus Money Investment Fund and the Condemnation Deposits Fund are transferred from those funds to the agency's fund.

Journal Entry for General Ledger Accounts:

Debit:

1140	Cash in State Treasury	a/
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Credit:

1410.0681	Due from Surplus Money Investment Fund	b/
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1410.0910	Due from Condemnation Deposits Fund	b/
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8000	Revenue	c/
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a/ amount of interest transferred

b/ amount of interest transferred in July

c/ amount of interest transferred in January, April, and October

Source:

Document:

Controller's Notice of Transfer

Explanation:

Interest on investments of the Surplus Money Investment Fund and the Condemnation Deposits Fund is apportioned quarterly to other funds by the SCO. The administering agency for funds receiving such interest will receive the Controller's Notice of Transfer in the month following the end of the quarter.

The July transfer is accounted for differently because the interest was accrued as of June 30 (see SAM Section 10605).

## SAM—STANDARD ENTRIES

### ENTRY NO. 33

10533

(Revised 5/87)

Nature of Transaction:

Investments are purchased.

Journal Entry for General Ledger Accounts:

Debit:

1320	Accrued Interest Receivable	a/
2011	Investment in Securities at Cost	b/
2012	Investment in Securities	c/
2013	Premium on Securities	d/
2021	Investment in Common Stock	e/
2022	Investment in Preferred Stock	f/

Credit:

1140	Cash in State Treasury	g/
2014	Discount on Securities	h/

a/ amount of accrued interest purchased on investments acquired between interest dates.

b/ cost investment in debt securities.

c/ face value of investment in debt securities.

d/ amount of premium paid on investments purchased.

e/ cost of investment in common stocks.

f/ cost of investment in preferred stocks.

g/ amount expended for investments purchased.

h/ amount of discount on investments purchased.

Source:

Document:

Detail Sheet supporting Claim Schedule prepared by State Treasurer's Office.

Explanation:

Investments are purchased and held by the State Treasurer. The source of this entry is a copy of the State Treasurer's Claim Schedule. The entry is made as of the month indicated by the detail sheet supporting the Claim Schedule.

## SAM—STANDARD ENTRIES

**ENTRY NO. 34**

(Revised 5/87)

10534

**Nature of Transaction:**

Investments mature or are sold. (This entry is made as a transaction of the month indicated by the date of the Controller's Receipt.)

Journal Entry for General Ledger Accounts:

Debit:

1140	Cash in State Treasury	a/
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2014 Discount on Securities b/

Credit:

2011	Investment in Securities at Cost	c/
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2011	Investment in Securities at Cost	c/
2012	Investment in Securities	d/

2012	Investment in Securities	a/
2013	Premium on Securities	e/

2021	Investment in Common Stock	f/
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2022	Investment in Preferred Stock	g/
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8000	Revenues	h/
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- a/ proceeds from sale or maturity deposited in the appropriate fund in the Treasury.
- b/ unaccumulated discount on investments sold before maturity.
- c/ cost of investment in debt securities matured or sold.
- d/ face value of investment in debt securities matured or sold.
- e/ unamortized premium on investments sold before maturity.
- f/ cost of common stocks sold.
- g/ cost of preferred stocks sold.
- h/ (1) amount of accrued interest sold plus or minus the difference between the amount received and the book value plus accrued interest sold, or (2) gain or loss on the sale of stocks. This net entry would result in a debit to the general ledger Revenue account if the result of the sale was a loss greater than the amount of accrued interest sold or a loss on the sale of stocks.

Source:

Document:

### Controller's Receipt and Controller's Journal Entry.

Explanation:

The Controller's Receipt shows the amount of proceeds from investment sales or maturities ordered into the State Treasury. At the same time, the Controller's Office prepares a Journal Entry, a copy of which is sent to the agency, showing any premium or discount to be written off and/or accrued interest sold.



## SAM—STANDARD ENTRIES

### ENTRY NO. 35

10535

(Revised 5/87)

Nature of Transaction:

Interest is received on investment securities and premium and discount on investments are amortized or accumulated. (This entry is made as a transaction of the month indicated by the date of the Controller's Receipt.)

Journal Entry for General Ledger Accounts:

Debit:

1140	Cash in State Treasury	a/
2014	Discount on Securities	b/

Credit:

1313	Accounts Receivable Revenue	c/
1320	Accrued Interest Receivable	d/
2013	Premium on Securities	e/
8000	Revenue	f/

- a/ Amount of interest received and deposited in the appropriate fund in the Treasury.
- b/ Amount of discount accumulation since the last accumulation of discount, either at the time of receipt of interest or accrual of interest as of June 30.
- c/ Amount of interest accrued at June 30 now liquidated.
- d/ Amount of accrued interest purchased collected at first interest date, exclusive of accrued interest purchased accounted through Account No. 1313 as a result of Entry No. A-5.
- e/ Amount of premium amortization since the last amortization of premium, either at the time of receipt of interest or accrual of interest as of June 30.
- f/ Amount of interest earned that was not accrued previously.

Source:

Document—Controller's Receipt

Explanation:

This entry is used to record the interest earnings, amortization of premium, and accumulation of discount on investment securities. The State Controller will show the amounts of premium being amortized or discount being accumulated and the amount of interest received. The "interest method" for amortization of premium and discount is used to yield an equal periodic rate of interest.

# SAM—STANDARD ENTRIES

## ENTRY NO. 36

10536

(Revised 5/87)

Nature of Transaction:

Agency receives cash payment for the sale of accounts receivables.

Journal Entry for General Ledger Accounts:

Debit:

1110	General Cash	a/
1600	Provision for Deferred Receivables	b/
8100	Reimbursements	c/
9000	Appropriation Expenditures	d/
9893	Prior Year Appropriation Adjustments	e/

Credit:

1311	Accounts Receivable —Abatements	f/
1312	Accounts Receivable —Reimbursements	g/
1313	Accounts Receivable —Revenue	h/
1314	Accounts Receivable —Operating Revenues	h/
1315	Accounts Receivable —Dishonored Checks	i/
1319	Accounts Receivable —Other	i/
8000	Revenue	j/
9892	Prior-Year Revenue Adjustments	k/

- a/ Total cash received for deposit in the General Cash Account.
- b/ Invoice amounts of accounts receivables accounted for during the year on a fully reserved basis.
- c/ The amount that represents the difference between the amount of current year invoiced Accounts Receivable—Reimbursements sold and the amount received from the sale of the Accounts Receivable—Reimbursements.
- d/ The amount that represents the difference between the amount of current year invoiced Accounts Receivable—Abatements and the amount received from the sale of the Accounts Receivable—Abatements.
- e/ The amount that represents the difference between the amount of prior year invoiced Accounts Receivable—Reimbursements and Abatements and the amount received from the sale of those accounts receivable.
- f/ Invoice amount of Accounts Receivable—Abatements that have been sold and payment has been received.
- g/ Invoice amount of Accounts Receivable—Reimbursements that have been sold and payment has been received.
- h/ Invoice amount of Accounts Receivable—Revenue that have been sold and payment has been received.
- i/ Invoice amount of Accounts Receivable—Other that have been sold and payment has been received.
- j/ Amount of current year revenue received as a result of the sale of Accounts Receivable—Revenue.
- k/ Amount of prior year revenue received as a result of the sale of Accounts Receivable—Revenue.

(Continued)

**SAM—STANDARD ENTRIES**

(Continued)  
**ENTRY NO. 36**  
(Revised 5/95)

**10536 (CONT. 1)**

Source:

Document—General Cash Receipt

Register—General Cash Receipts Register

Explanation:

Agencies are authorized to sell their accounts receivable to private persons or entities. Sales of this nature will result in the receipt of payment in amounts less than the invoiced accounts receivable amount. This entry will remove the accounts receivable at its full invoiced amount and adjust the income/expenditure accounts to reflect the appropriate net amounts received.